REMARKS

I. <u>INTRODUCTION</u>

In response to the Office Action dated November 17, 2008, please consider the following remarks. Re-examination and re-consideration of the application is requested.

II. STATUS OF CLAIMS

Claims 1-19 are pending in the application.

Claims 1-12 were rejected under 35 U.S.C. § 103(a) as unpatentable over Szymanski, U.S. Patent No. 6,148,081 (Szymanski) in view of Liao et al., The Split and Merge Protocol for Interactive Video-on-Demand (Liao) and in further view of Spies, U.S. Patent No. 6,055,314 (Spies).

Claims 13 and 16 were rejected under 35 U.S.C. §103(a) as being unpatentable over Szymanski in view of Liao and in further view of Ma et al., Multicast Video on Demand Services (Ma).

Claims 14 and 15 were rejected under 35 U.S.C. §103(a) as being obvious in view of Szymanski in view of Liao, in further view of Ma and in further view of Spies.

Claims 17-19 were rejected as unpatentable over Szymanski in view of Liao, in further view of Ma, and in further view of U.S. Patent No. 5,583,937 (Ullrich).

III. GROUNDS OF REJECTION TO BE REVIEWED

Whether claims 1-12 are patentable under 35 U.S.C. § 103(a) over Szymanski, U.S. Patent No. 6,148,081 (Szymanski) in view of Liao et al., The Split and Merge Protocol for Interactive Video-on-Demand (Liao) and in further view of Spies, U.S. Patent No. 6,055,314 (Spies).

Whether claims 13 and 16 are patentable under 35 U.S.C. §103(a) as being unpatentable over Szymanski in view of Liao and in further view of Ma et al., Multicast Video on Demand Services (Ma).

Whether claims 14 and 15 are patentable under 35 U.S.C. §103(a) as being obvious in view of Szymanski in view of Liao, in further view of Ma and in further view of Spies.

Whether claims 17-19 are patentable under 35 U.S.C. § 103(a) over Szymanski in view of Liao, in further view of Ma, and in further view of Ullrich

IV. <u>ARGUMENT</u>

A. Claim Rejections

1. The References

a) The Szymanski Reference

U.S. Patent No. 6,148,081, issued November 14, 2000 to Szymanski discloses a security model for interactive television applications. The system and method is implemented in an interactive television system and restricting or controlling the access rights of interactive television applications and carousels. The system broadcasts modules from a broadcast station to a plurality of receiving stations, which execute applications containing the modules. In one embodiment, the applications utilize a credential consisting of a producer identification number (ID) and an application ID for each of the grantor and grantee applications, an expiration date, a set of permission data, a producer certificate and a signature. An application requesting access and a carousel granting access may be identified by respective producer and application IDs. The credential utilizes public key encryption to ensure the integrity of the credential. The producer and application IDs may be replaced with wildcards so that rights may be granted to a group of producers or applications.

b) The Liao Reference

The document "The Split and Merge Protocol for Interactive Video-on-Demand" authored by Wanjiun Liao and Victor O.K. Li describes a system wherein when a user selects VCR-like user functions from a batch video stream, the user is temporarily assigned to a new video stream that the user can used to perform any desired interactions. When the user is done, they are merged back into the nearest ongoing video stream.

c) The Spies Reference

U.S. Patent No. 6,055,314, issued April 25, 2000 to Spies discloses a system and method for secure purchase and delivery of video content programs. The system and method allows secure purchase and delivery of video content programs over various distribution media, including distribution networks and digital video disks, includes an integrated circuit card (e.g., a smart card, PCMCIA card) which is configured to store decryption capabilities for related video programs. The decryption capabilities are initially kept in a secure store at a video merchant. When a purchaser orders a particular video program, the decryption capabilities for that program are downloaded to

the IC card, either at the merchant premises or over a distribution network. The video content program is distributed in encrypted format via the distribution media to the purchaser. The IC card uses the decryption capabilities to at least partly decrypt the video content program without exposing the decryption capabilities.

d) The Ma Reference

"Multicast Video-on-Demand Services" by Huadong Ma and Kang G. Shin discusses recent progress in multicast VOD systems.

e) The Ullrich Reference

U.S. Patent 5,583,937, issued December 10, 1996 to Ulrich discloses a method for providing video programming nearly on demand. A video network includes a video server that operates several video recorders to simultaneously exhibit video performances or programs on a plurality of channels. The video server is controlled in real time in accordance with data presented to it in an exhibition plan. The exhibition plan calls for two or more channels to show the same program on a time offset basis. Due to the offset in exhibiting a given program, a subscriber may view a program at any time, from the beginning of a program, by waiting for a period of time that is no longer than the offset. Preferably, this offset is substantially shorter than the run time of the program. The channels carrying this program are unscrambled prior to the beginning of the program and for a predetermined duration into the program so that subscribers may preview the program. However, the channels are scrambled for the remainder of the exhibition of the program. A subscriber may order the program when it begins and for a short duration after the program becomes scrambled.

2. Claims 1-12 are Patentable Under 35 U.S.C. § 103(a) over Szymanski in view of Liao and further in view of Spies.

The Final Office Action rejected claims 1-12 under 35 U.S.C. § 103(a) as unpatentable over Szymanski, U.S. Patent No. 6,148,081 (Szymanski) in view of Liao et al., The Split and Merge Protocol for Interactive Video-on-Demand (Liao) and in further view of Spies, U.S. Patent No. 6,055,314 (Spies). The Applicant traverses these rejections.

With Respect to Claim 1: Claim 1 recites:

A method of providing a video program in response to a demand by a subscriber, wherein the video program is repeatedly transmitted on one of a plurality of channels, each repeated transmission separated from a previous transmission by a predetermined period of time, the method comprising the steps of:

delivering a first unencrypted portion of at least one video program available for viewing on demand; storing the first unencrypted portion of the at least one video program as unencrypted data on a Digital Video Recorder (DVR);

offering the video program for purchase by the subscriber;

accepting a subscriber demand to purchase the complete video program;

retrieving the stored first unencrypted portion of the at least one video program after accepting a subscriber demand to purchase the complete video program;

authorizing capture and decryption of a remaining portion of purchased video program; switching from the stored first unencrypted portion of the at least one video program to the remaining portion of the purchased video program.

Szymanski Does Not Disclose the Step of "Delivering a First Unencrypted Portion of at Least One Video Program Available for Viewing On Demand": In the first Office Action, Szymanski discloses the step of "delivering a first unencrypted portion of at least one video program available for viewing on demand" because it recites "The interactive television signal includes an interactive portion consisting of an application code or control information, as well as an audio-video portion consisting of a television program." However, nothing in Szymanski discloses that the "interactive portion" is "a video program available for viewing on demand". Indeed, Szymanski discloses nothing at all about video on demand … it is directed to interactive television.

The Non-Final Office Action (after RCE) answered:

"The examiner notes that "interactive television" is a form of video on demand, where it is understood that the DVR/set top box would store part of the video program in memory (i.e. RAM may include memory units which are static dynamic, volatile or non-volatile, as required to support the functions of the set top box") [Szymanski column 6 lines 6-91 prior to transmitting it for display (i.e. "the term set top box is used herein, it is understood that this term refers to any receiver or processing unit for receiving and processing a transmitted signal and conveying the processed signal to a television or other monitor") [Szymanski column 6 lines 20-251. In addition, it is suggested by Szymanski that interactive television would include making purchases which include video content (i.e. "an electronic commerce application which allows interactive television users to make purchases via credit card transactions"; "The credential can be created by secure means so that it can be determined at run time whether the credential was in fact created by the producer of the credit card application") [Szymanski column 9 lines 10-13 & 26-30] as the creation of credentials for a credit card application suggests the request of a purchase and an electronic commerce application offers/permits users to make purchases based on a selection presented by the interactive television, electronic commerce application.

A cursory review of the Szymanski reference confirms that it does not disclose "video on demand." All of the above argument amounts to an attempt to bootstrap what the Szymanski reference actually discloses (interactive television) into what it does not (video on demand). Simply put:

- That a set top box has memory which may allow it to buffer video does not mean that the set top box will support video on demand.
- That an interactive television system includes "an electronic commerce application which allows interactive television users to make purchases via credit card transactions" does not justify the conclusion that such purchases could include video content, and even if they did, that such a purchase would be "video on demand" in the parlance understood by one of ordinary skill in the art.

The Final Office Action answers:

"For further clarification, "video on demand," is indeed a form of "interactive television" and although generally a genus may not be construed as the same as or as being sufficient to be compared to a species, in this case the examiner believes that because by definition "interaction television" refers to any form of interactive service involving video/audio, thus it would be reasonable to expect one of ordinary skill in the art to understand that "interactive video" typically refers to "video on demand or some derivative thereof, since the two terms are commonly used in conjunction (i.e. interactive video on demand) and appear to be interchangeable; that is, in this case, the genus (i.e. "interactive television") is obvious enough to one of ordinary skill in the art to include the species (i.e. "video on demand") -the same applies to "set top box" and "DVR; in addition Szymanski does at the very least suggest that the purchases include video since the entire invention deals with "interactive television" which is video and audio; it is reasonable to interpret Szymanski as suggesting audio/video content to be available as a purchase since no limits are set as to what may or may not be purchased through the "interactive television" and seeing as this is an audio/video system, one of ordinary skill in the art would not be unreasonably expected to envision such content as an obvious option"

In essence, the Final Office Action argues that: (1) interactive video typically refers to "video-on-demand" since the two terms are commonly used in conjunction and appear to be interchangeable (2) the "interactive video" genus is obvious enough to include the "video-on-demand" species; (3) Szymanski suggests that the purchases include video since the entire invention deals with "interactive television" which is video and audio; (4) It is reasonable to interpret Szymanski as suggesting that audio/video content be available for purchase because there are no

limits as to what may or may not be purchased through interactive television, and would be an option that would be obvious to one of ordinary skill in the art. The Applicant disagrees for the reasons discussed below:

Interactive video typically refers to "video-on-demand" since the two terms are commonly used in conjunction and appear to be interchangeable. First, the Office Action has not provided evidence that "interactive video" refers to "video-on-demand," nor has it provided any evidence that they are used in conjunction. Szymanski is of no help, of course, since it plainly does not disclose "video-on-demand" (at least, not expressly). Second, the fact is that the terms are not commonly used in conjunction, nor are they interchangeable. Indeed, the Final Office Action elsewhere argues that "interactive video" is a genus and "video-on-demand" is a species. Under such circumstances, they clearly cannot be "interchangeable."

<u>The genus is obvious enough to include the species.</u> The Applicant is unsure as to what is meant by this argument, but it appears as if the Final Office Action argues that if a reference discloses a genus, it must disclose the species. This is clearly not the case, otherwise a reference that discloses a genus would preclude the patentability of any new genus.

Szymanski suggests that the purchases include video since the entire invention deals with "interactive television" which is video and audio. Claim 1 does not simply recite the purchase of a video. It recites "accepting a subscriber demand to purchase the complete video program."

It is reasonable to interpret Szymanski as suggesting that audio/video content be available for purchase because there are no limits as to what may or may not be purchased through interactive television, and would be an option that would be obvious to one of ordinary skill in the art. It is axiomatic that just because a reference does not preclude a particular feature does not mean that it must also disclose that feature. Further, the bare assertion that adding such a feature would be obvious to one of ordinary skill in the art is insufficient to reject a claim under 35 U.S.C. § 103(a). The fact is that video on demand is not disclosed in the Szymanski reference, either expressly or inherently, and a reasoned explanation as to why one of ordinary skill in the art would modify Szymanski to include this feature has not been provided.

The only issue is whether Szymanski discloses "video on demand" under the inherency doctrine, and inherency "may not be established by probabilities or possibilities. The mere fact that a certain thing may result from a given set of circumstances is not sufficient." Continental Can Co. v. Monsanto Co., 948 F.2d 1264, 1269(Fed. Cir. 1991). Instead, to establish inherency, the extrinsic evidence "must make clear that the missing descriptive matter is necessarily present in the thing

described in the reference, and that it would be so recognized by persons of ordinary skill." *Continental Can Co.*, 948 F.2d at 1268.

What has been presented so far is argument as to how terms and phrases in the Szymanski reference might possibly be interpreted broadly enough to be "video on demand". This does not satisfy the mandate. Nothing about the Szymanski reference (or any other evidence presented) leads to the conclusion that the system of Szymanski necessarily includes video on demand. Accordingly, on this basis alone, the rejection should be withdrawn.

Szymanski Does Not Disclose the Step of Storing the First Unencrypted Portion of the at Least One Video Program as Unencrypted Data on a Digital Video Recorder (VCR): The first Office Action also indicated that Szymanski discloses the step of "storing the first unencrypted portion of the at least one video program as unencrypted data on a Digital Video Recorder (VCR)" because it discloses "The set-top box receives the signal transmitted by the broadcast server provider, separates the interactive portion from the audio-video portion and decompresses the respective portions of the signal." However, Szymanski does not disclose storing anything in a DVR, as recited in claim 1.

The Office Action answers:

"... it is understood that the DVR/set top box stores part of the video program in memory (i.e. 'RAM may include memory units which are static, dynamic, volatile or non-volatile, as required to support the functions of a set top box') prior to transmitting it for display (i.e. "the term set top box is used herein, it is understood that this term refers to any receiver or processing unit for receiving and processing a transmitted signal and conveying the processed signal to a television or other monitor")

Claim 1 recites a digital video recorder, not simply a video memory. The Applicant's specification is replete with references to the DVR which make it clear that it cannot be interpreted as simply a video memory used in a set-top box as described in the Szymanski reference, and one of ordinary skill in the art at the time of the Applicant's invention would certainly have recognized the difference between a set-top box video buffer and a DVR.

The Final Office Action responds:

"The examiner notes that besides the storage unencrypted video program not appearing to the main novelty of the applicant's invention, it is reasonable to expect storage of content in a content reception device whether temporarily for varying durations or permanently; despite the differences in the terminology between the prior art and the applicant's claims, the examiner believes that at the very least, the two apparatuses (namely the set top box and the DVR) function in a similar manner; both have memory to store content for some duration of time and perform handling of content for viewing/displaying; it is also reasonable to

expect one of ordinary skill in the art to understand that "set top boxes" and "DVRs" are either the same or an obvious variant based on the functionality."

As a threshold matter, there is no notion of the "main novelty" of the Applicant's invention ... a rejection under 35 U.S.C. § 103(a) requires that each and every limitation be found in or rendered obvious by one or more prior art references. Further, the differences in terminology cannot be disregarded because it is those terms that determine the scope of the Applicant's invention.

It is also untrue that DVRs function similarly to set top boxes. A set top box simply receives the signal from the cable or satellite headend, while the DVR records the signal for later playback. A DVR and a set top box are as different as a radio tuner and a tape deck ... both process an input signal ... but they do so for entirely different reasons and are very different devices. As for the argument that they are obvious variants of one another based on the functionality, the Applicant respectfully disagrees, because they have different functionality.

Szymanski Does Not Disclose the Step of "Offering the Video Program for Purchase by the Subscriber": The first Office Action also indicated that Szymanski discloses the step of "offering the video program for purchase by the subscriber" because it recites "the carousel may comprise an electronic commerce application which allows interactive television users to make purchases via credit card transactions." However, this does not disclose offering the video program (recited in the first clause) for purchase by the subscriber, but rather allows users to make other purchases with an electronic commerce application. In the system disclosed by Szymanski, it would plainly make no sense to offer a video program for purchase when it has already been received.

A further Office Action answers:

"In addition, it is suggested from <u>Szymanski</u> that interactive television would include making purchases which include video content (i.e. "an electronic commerce application which allows interactive television users to make purchases via credit card transactions"; "The credential can be created by secure means so that it can be determined at run time whether the credential was in fact created by the producer of the credit card application") [citation omitted] as the creation of credentials for a credit card application would imply the request of a purchase and an electronic commerce application would offer/allow users to make purchases based on a selection.

It appears as if the Office Action has improperly applied the *inherency doctrine*. Inherency "may not be established by probabilities or possibilities. The mere fact that a certain thing may result from a given set of circumstances is not sufficient." <u>Continental Can Co. v. Monsanto Co.</u>, 948 F.2d 1264,

1269(Fed. Cir. 1991). Instead, to establish inherency, the extrinsic evidence "must make clear that the missing descriptive matter is necessarily present in the thing described in the reference, and that it would be so recognized by persons of ordinary skill. <u>Continental Can Co.</u>, 948 F.2d at 1268.

There is nothing about <u>Szymanski</u> that requires that purchases include video content. Hence, reliance on the *inherency doctrine* is misplaced. Further, as the Applicant has pointed out, <u>Szymanski</u> does not disclose offering the video program (recited in the first clause) for purchase by the subscriber, but rather allows users to make other purchases with an electronic commerce application. In the system disclosed by Szymanski, it would plainly make no sense to offer a video program for purchase when it has already been received.

The Final Office Action answered:

"The examiner notes as mentioned above, <u>Szymanski</u> does at the very least suggest that the purchases include video since the entire invention deals with "interactive television" which is video and audio; it is reasonable to interpret <u>Szymanski</u> as suggesting audio/video content to be available as a purchase since no limits are set as to what may or may not be purchased through "interactive television" and seeing as this is an audio/video system, one of ordinary skill in the art would not be unreasonably expected to envision such content as an obvious option."

The Applicant respectfully disagrees. As it is described in the Szymanski reference, interactive television does not suggest offering the video program (recited in the first clause) for purchase by the subscriber, but rather allows users to make other purchases with an electronic commerce application. Further, the relevant inquiry is whether Szymanski discloses, whether expressly or inherently, the step of offering the video program (which in the previous step, was stored in an unencrypted form on a DVR) for purchase by the subscriber. The Final Office Action admits that it is not expressly disclosed, and since offering such video programs is not necessarily disclosed in Szymanski, it is not inherently disclosed either.

The Final Office Action appears to argue that offering a video program instead of general electronic commerce would have been obvious to one of ordinary skill in the art, but this (1) does not provide a reasoned basis for modifying Szymanski as suggested and (2) ignores the fact that the claim specifies that the video program that is offered for purchase is the same one for which a first unencrypted portion was previously stored. This is not even remotely suggested by <u>Szymanski</u>.

Szymanski Does not Disclose the Step of "Accepting a Subscriber Demand to Purchase the Complete Video Program: Finally, the first Office Action indicated that Szymanski discloses the step of "accepting a subscriber demand to purchase the complete video program" by disclosing

"The credential can be created by secure means so that it can be determined at run time whether the credential was in fact created by the producer of the credit card application."

The Applicant pointed out that the cited portion of the Szymanski reference does not appear to disclose anything even remotely related to a subscriber demand to purchase "the complete video program." Szymanski assumes that the user has already access to the video program ... the other "portion" referred to in Szymanski is not the remainder of the media program, but rather, a portion that is used to support interactive TV purchases.

Liao Does not Disclose "Retrieving the Stored First Unencrypted Portion of the at Least One Video Program After Accepting a Subscriber Demand to Purchase the Complete Video Program": The first Office Action indicated that Liao discloses "retrieving the stored first unencrypted portion of the at least one video program after accepting a subscriber demand to purchase the complete video program" by reciting "With VOD services, customers may select programs from massive, remote video archives, view them when they wish, and interact with the programs using VCR-like functions, such as fast forward and rewind."

The Applicant pointed out, however, that claim 1 recites retrieving "<u>the</u> stored first unencrypted portion of the video program" ... that which was delivered in the first clause. The data received in the Liao reference is not locally stored ... instead, it is retrieved from a video server.

The Final Office Action responds:

"The examiner notes that as currently written, the current claim language is broad enough to include retrieval from any location and does not have clarification for at which point and from where is the video program retrieved from; that is, is the video program retrieval after the same program is stored in the DVR or is the retrieval the initial retrieval from a remote location; also note that from a different angle, "interactions with programs using VCR-like functions" does suggest storage and user control of retrieval of programs much like a VCR would function."

The Applicant respectfully disagrees. Claim 1 recites the following steps:

delivering a first unencrypted portion of at least one video program available for viewing on demand; storing the first unencrypted portion of the at least one video program as unencrypted data on a Digital Video Recorder (DVR);

offering the video program for purchase by the subscriber;
accepting a subscriber demand to purchase the complete video program;
retrieving the stored first unencrypted portion of the at least one video program after accepting a
subscriber demand to purchase the complete video program;

The claim language recites the step of retrieving the stored first encrypted portion. The only "first encrypted portion" that was stored before this step was clearly recited to have been stored on

a DVR. Claim 1 therefore plainly recites that the stored first encrypted portion is retrieved from the DVR.¹

Further, while it is desirable to give the claims the broadest reasonable interpretation, that interpretation must be consistent with the specification, and the Examiner has not indicated where support may be found in the Applicant's specification for his interpretation of the claims.

Liao Does Not Disclose "Switching from the Stored Unencrypted Portion of the at Least One Video Program to the Remaining Portion of the Purchased Video Program": The Office Action indicates that Liao discloses "switching from the stored unencrypted portion of the at least one video program to the remaining portion of the purchased video program" by reciting "When a user is in a batch initiates a user interaction, the protocol splits off the interactive user from the original batch and temporarily assigns that user to a new video stream." This is also incorrect. Liao teaches switching from a batched video stream to a new video stream upon user interaction. Claim 1 recites a system in which the user *starts* by playing the program locally (certainly non-batch) and switches to what might be analyzed as a batch video stream ... not the other way around.

The Final Office Action responds:

The examiner notes that the current claim language does not appear to provide for playing the program locally clarifying the "batching" details; that is, the current claim language only recites switching from a stored first portion to a remaining portion;

But Liao, not the Applicant's claims, raises the issue of "batching." The Applicant's claim recites switching from the stored first unencrypted portion of the at least one video program to the remaining portion of the purchased video program, and nothing analogous to this step is disclosed in Liao.

There is No Motivation to Modify Szymanski as Described in Liao: Finally, the Applicant also does not agree with the cited motivation for modifying Szymanski as described in Liao. First, Szymanski can "play the program content as requested by the subscriber" without any modification. Second, even when combined, neither discloses the notion of apriori storage of an unencrypted program, offering that program for purchase by the subscriber and retrieving the unencrypted portion of the video program in response to a subscriber demand.

The Final Office Action did not address this issue.

¹ The Examiner were to argue that there are two "first unencrypted portions" ... one that is first stored in the DVR and the second that is retrieved from elsewhere, because that is inconsistent with the antecedent basis provided in the claim.

Spies does not Disclose "Authorizing Capture and Decryption of a Remaining Portion of the Video Program": The first Office Action argues that Spies discloses "authorizing capture and decryption of a remaining portion of the video program" by reciting "The video content provider 22 maintains a video program storage 30 which keeps the video content programs and program keys database 32 which stores cryptographic keys that correspond to associated video content programs. There is one key for each video content program."

The Applicant pointed out that even combined with Szymanski and Liao, Spies does not disclose the notion of a storing an unencrypted video portion on a DVR and authorizing the capture and decryption of the remaining (decrypted) portion upon user command.

A further Office Action argued:

"The examiner notes that the disclosure by Spies regarding the usage of cryptographic keys suggests that authentication takes place and is used to control access to video content."

However, claim 1 recites more than mere authorization before access to video content, and these other features are not acknowledged or addressed by the Office Action.

Finally, the Final Office Action remarks:

For clarification, the examiner notes that the intention was not to take the stance of inherency for the purchasing but that it is reasonable to expect one of ordinary skill in the art to find it obvious given the prior art of record; the only inherency that may have been taken is the storage of the video program, since it is reasonable to expect that video programs whether in whole or in part must be stored at some point for processing regardless whether it is temporary or permanent;

and

In addition, the aspect of mere "storage" alone is not material which is patentable since it is well known in the art, however, the method by which the storage is used in combination with aspects which appear to not have been included clearly in the current claim language with respect to the authentication, retrieval, switching of program content, etc. could be; the examiner recommends that the applicant not focus too greatly on minor individual limitations (i.e. whether or not the prior art suggests or discloses storage) to overcome the prior art but to focus more on ensuring their claims include the material which they believe is novel/new and should be patentable over the prior art;

The Applicant believes the claims, as currently expressed, recite the pre-storage, retrieval, authorization, and switching parameters described above, and hence, believe the claims to be patentable over the art of record without further amendment. However, if the Examiner is aware of

amendments which will render the claims patentable, the Examiner is encouraged to contact the Applicant's attorney by telephone so that such amendments can be discussed.

Independent claim 5 recites analogous features and is patentable for the same reasons.

Claims 2-4 and 6-12 depend on claims 1 and 5, respectively, and are patentable for the same reasons.

3. Claims 13 and 16 are Patentable Under 35 U.S.C. § 103(a) over Szymanski in view of Liao and further in view of Ma.

With Respect to Claim 13: Claim 13 recites:

An apparatus for providing a program in response to a subscriber demand comprising:

a digital video recorder being an integrated receiver/decoder having digital video recording capabilities;

a first unencrypted portion of at least one program stored on the digital video recorder; an offer to purchase at least one program;

means for accepting the offer to purchase the at least one program;

means for retrieving the first unencrypted portion from storage while retrieving the remaining portion of the at least one program on the digital video recorder;

means for splicing the first unencrypted portion of the at least one program with the remaining portion of the program to define a complete program; the complete program stored on the digital video recorder.

In his first response, the Applicant pointed out that (1) Szymanski does not disclose storing anything in a DVR (2) Szymanski does not disclose a "an offer to purchase at least one program" but instead the purchase of other e-commerce items, and (3) Szymanski fails to disclose a means for splicing a first encrypted portion of the at least one program with the remaining portion of the program to define a complete program (the cited portion of Szymanski refers only to the reconstruction of television programs and interactive applications from the received packetized signal ... this has nothing to do with "splicing a first encrypted portion of the at least one program with the remaining portion of the program to define a complete program.")

Further, although the Office Action acknowledged that the Szymanski reference does not disclose "means for retrieving the first unencrypted portion from storage while retrieving a remaining portion of the program on the digital video recorder", it asserted that Liao does because it recites "With VoD services, customers may select programs for massive, remove video archives, view them when they wish, and interact with the programs using VCR-like functions, such as fast forward and rewind."

The Applicant pointed out that Liao does not disclose a digital video recorder at all, and the cited passage of Liao does not disclose "retrieving the first unencrypted portion from storage while retrieving a remaining portion of the program on the digital video recorder" as claimed. Instead, it merely discloses a VoD service obtained by retrieving programs from remote video archives.

The Office responded with the same argument presented in rejecting claim 1:

The applicant's arguments recite, "Szymanski does not disclose storing anything in a DVR" and "Szymanski does not disclose an offer to purchase at least one program" and "Szymanski also fails to disclose a means for splicing a first encrypted portion of the at least one program with the remaining portion of the program to define a complete program" and "Szymanski reference does not disclose means for retrieving the first unencrypted portion from storage while retrieving a remaining portion of the program on the digital video recorder" and "Liao does not disclose a digital video recorder at all.. . does not disclose retrieving the first unencrypted portion from storage while retrieving a remaining portion of the program on the digital video recorder." However, the examiner disagrees as "interactive television" is a form of video on demand, where it is understood that the DVR/set top box stores part of the video program in memory (i.e. "RAM may include memory units which, are static, dynamic, volatile or non-volatile, as required to support the functions of the set top box") [Szymanski column 6 lines 6-9] prior to transmitting it for display (i.e. "the term set top box is used herein, it is understood that this term refers to any receiver or processing unit for receiving and processing a transmitted signal and conveying the processed signal to a television or other monitor") [Szymanski column 6 lines 20-25]. In addition, it is implied from Szymanski that interactive television would include making purchases which include video content (i.e. "an electronic commerce application which allows interactive television users to make purchases via credit card transactions"; "The credential can be created by secure means so that it can be determined at run time whether the credential was in fact created by the producer of the credit card application") [Szymanski column 9. lines 10-13 & 26-30] as the creation of credentials for a credit card application would imply the request of a purchase and an electronic commerce application would offer/allow users to make purchases based on a selection.

The foregoing does not address the arguments raised by the Applicant in his first response. In particular, it does not suggest how Liao discloses "retrieving the first unencrypted portion from storage while retrieving a remaining portion of the program on the digital video recorder" nor does suggest how Szymanski discloses the claimed "means for splicing".

Accordingly, the Applicant traverses and incorporating their previous response to the rejection of claim 13.

Claim 16 recites the features of claim 13 and is patentable for the same reasons.

4. Claims 14 and 15 are Patentable Under 35 U.S.C. § 103(a) over Szymanski in view of Liao and Ma and further in view of Spies.

Claims 14 and 15 recite the features of claim 13 and are patentable on the same basis.

5. Claims 17-19 are Patentable Under 35 U.S.C. § 103(a) over Szymanski in view of Liao and Ma and further in view of Ullrich.

Claims 17-19 were rejected as unpatentable over Szymanski in view of Liao, in further view of Ma, and in further view of Ullrich. Claim 13 recites:

An apparatus for providing a program in response to a subscriber demand comprising:

a digital video recorder being an integrated receiver/decoder having digital video recording capabilities;

a first unencrypted portion of at least one program stored on the digital video recorder; means for accepting an offer to purchase the at least one program;

means for retrieving the first unencrypted portion from storage while retrieving a remaining portion of the program on the digital video recorder;

means for splicing the first unencrypted portion of the at least one program with the remaining portion of the at least one program to define a complete program;

the complete program stored on the digital video recorder.

Claim 17 adds:

wherein the at least a portion of the program is repeatedly transmitted on one of a plurality of channels, each repeated transmission separated from a previous transmission by a predetermined period of time.

The Office relies on Szymanski for the teaching of:

a digital video recorder being an integrated receiver/decoder having digital video recording capabilities;

a first unencrypted portion of at least one program stored on the digital video recorder; means for accepting an offer to purchase the at least one program;

means for splicing the first unencrypted portion of the at least one program with the remaining portion of the at least one program to define a complete program;

Szymanski does not teach a DVR, nor the storage of a first encrypted portion of a program in a DVR, nor a means for splicing a first unencrypted portion of the program with the remaining portion of the program to define a complete program. At best, it teaches the transmission and use of applications that are used for interactive television.

Claim 17 recites the additional feature that the program is repeatedly transmitted on one of a plurality of channels, each repeated transmission separated from a previous transmission by a predetermined period of time.

Recognizing that the combination of Szymanski, Liao, and Ma do not disclose this feature, the Final Office Action relies instead on a fourth reference, Ullrich. Why would one of ordinary skill in the art modify Szymanski (which teaches the downloading of applications to support interactive applications) to download those interactive applications piecemeal as described in Ullrich? According to the Final Office Action:

"for the purpose[s] of the exhibition of different programming"

In the latest Office Action, the rejection is clarified as follows:

"To clear the applicant's confusion over the examiner's motivation regarding Claim 17 which states "for the purposes of the exhibition of different programming" is meant as providing multiple simultaneous broadcast channels that are staggered in order to provide different video content programs as recited by Ullrich et al. The examiner's usage of the phrase "exhibition of different programming" is meant as the showing of different video content programs."

There are many problems with this. First, Szymanski already discloses a system that can show different video content programs. There is therefore no motivation to modify it to perform that function. Second, the claim recites that *the* media program is repeatedly transmitted on one of a plurality of channels, with each repeated transmission separated from a previous transmission by a predetermined period of time. That is not consistent with showing *different* video content programs.

Claims 18 and 19 depend on claim 17 and are patentable for the same reasons. Claims 18 and 19 also recite features that are not disclosed in any of the references of record. Claim 18, for example, recites that the "at least a part of the program" that is repeatedly transmitted is the remaining portion of the program. This feature is not disclosed by any of the references of record.

V. <u>DEPENDENT CLAIMS</u>

Claims 2-4, 6-12 and 14-19 each recite the features of the independent claim they depend therefrom. Hence, these claims are also allowable over the art of record and should be allowed.

VI. CONCLUSION

In view of the above, it is submitted that this application is now in good order for allowance and such allowance is respectfully solicited. Should the Examiner believe minor matters still remain that can be resolved in a telephone interview, the Examiner is urged to call Applicant's undersigned attorney.

Should any fees be associated with this submission, please charge Deposit Account 50-0383.

Respectfully submitted,

Date: January 16, 2009

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